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PROGRAMME PLANNING

Country and intercountry programmes and projects

SIXTH COUNTRY PROGRAMME FOR GUATEMALA

Note by the Administrator

I. PREPARATORY PROCESS

1. The formulation process of the sixth country programme involved a permanent dialogue among the national authorities and a technical cooperation needs assessment carried out by the Economic Commission for Latin America and the Caribbean.

2. The process also included several formal consultations organized by the General Secretariat of the National Council for Economic Planning (SEGEPLAN) with the highest public authorities representing each one of the areas of concentration.

3. The formulation of the country programme took into account the economic and social strategies of Guatemala and the UNDP advisory note, as well as the mid-term review of the fifth country programme. The conclusions and recommendations of the latter have been incorporated in the sixth country programme.

II. ANALYTICAL COMMENTARY ON THE COUNTRY PROGRAMME

4. The objective of the sixth country programme, which covers the period 1992-1996, is to support governmental goals aimed at the alleviation of poverty and consolidation of the peace process, as well as stabilization and sustained economic growth as a platform for peace.

5. The strategy for the programme is focused on facilitating the development process; supporting the productive, social and institutional transformation processes; and contributing to the development and extension of participation instancies and schemes for development. Special attention will be paid to capacity-building of the General Secretariat of the National Council for Economic Planning in its role as coordinator of technical cooperation management, as well as other institutions designated by the Government. The Government intends to make use of UNDP limited resources to mobilize other resources using its comparative advantages related to access to know-how and capacity to facilitate the coordination of external assistance.

6. The three areas of concentration for the sixth country programme are as follows: (a) contribute to the consolidation of the peace and reconciliation process; (b) support the stabilization and economic growth processes; and (c) support actions aimed at poverty alleviation.

7. The first area, which is directly related to the Government's National Peace and Reconciliation Plan, will be assigned 13 per cent of the combined IPF and cost-sharing resources envisaged. It will concentrate UNDP support to the economic and social programmes of the Peace and Reconciliation Plan in the following sub-areas: facilitation of dialogue to permit decision-making on national problems related to the peace and reconciliation process; support for the management of the Guatemala Peace Fund (FONAPAZ) linked to the National Peace and Reconciliation Plan; reintegration of populations uprooted by the armed conflict through support to existing and new communities which receive uprooted groups; and institutional support for institutions dealing with justice and human rights such as Congress.

8. The second area, support to the stabilization and economic growth process, is linked to the Government's programmes in these areas. It will focus on improving relations with the international financial institutions, including assistance on stabilization policies; strengthening the productive processes to satisfy the internal and external markets, including production and marketing technologies; export promotion; training, including capacity-building, for public investment and for the design, implementation and evaluation of policies, programmes and projects; support to microentrepreneurs; rational use of natural resources and integrated rural development linked to environmental protection; and modernization of the State and its decentralization in order to support all the areas of concentration of the programme. This area will take 29 per cent of the combined IPF and cost-sharing resources envisaged.

9. The third area, support for action to alleviate poverty, is aimed at strengthening the peace process and will involve support for the establishment of social compensation measures to mitigate the impact of the stabilization and adjustment programmes of the Government (particularly of women of child-bearing age, widows, children, old people and the disabled), including continued support to the Social Emergency Fund (FESS) and other new measures in close coordination with the Guatemalan Peace Fund; support for employment and income-generating programmes with an emphasis on the rural area;

contribute to improve the coverage and quality of education (education for all and curricula development) and health services (epidemic prevention campaigns); identification and support to human development programmes, with particular emphasis on women, and to indigenous populations. This area will have 54 per cent of the combined IPF and cost-sharing resources envisaged.

10. The Administrator notes with pleasure that the sixth country programme responds to national priorities and focuses on specific programmes of the Government such as the National Peace and Reconciliation Plan. It corresponds to thematic priorities contained in General Assembly resolution 42/211 and decision 90/34 of the UNDP Governing Council, namely, poverty eradication and grass-roots participation in development, environmental problems and natural resource management, management of development, technical cooperation among developing countries, transfer and adaptation of technology for development, and women in development. It also addresses other UNDP priorities such as human development, education for all, and prevention of epidemics.

11. The sixth country programme has $10,402,000 in IPF resources, minus $763,000 lent to the fifth country programme, $2,029,000 in government cost-sharing resources and $10,700,000 in third-party cost-sharing. The total resources foreseen, including IPF, cost-sharing, and the government cash counterpart contribution amount to $22,368,000. There is an unprogrammed reserve of $839,500 representing 8.7 per cent of the IPF.

III. MANAGEMENT OF PROGRAMME IMPLEMENTATION

12. The Government had requested a NaTCAP mission prior to the formulation of the sixth country programme to strengthen its management system for technical cooperation. The mission took place and a Special Programme Resources project was approved. The NaTCAP methodology will be used in the sixth country programme with respect to development institution-building, programming and coordination of technical cooperation and support for the formulation of development policies, programmes and investments.

13. The UNDP country programme resources will be used as seed money to mobilize additional technical and financial resources in the areas of concentration, including the refinement of strategies for each of the areas of concentration. Strategic projects executed by the Government will be designed to convert the areas of concentration into programmes, including recommendations for the reallocation of existing resources, the management of the effort to mobilize additional resources, and the identification of critical areas which have been neglected, or those which require complementary resources.

14. In line with the programme approach, the sixth country programme envisages a greater use of the national execution modality. A strategic project will be designed for government execution aimed at launching new management modalities. The Government also envisages using the Management

Development Programme (MDP) to support the modernization and decentralization of the State.

15. In view of the accumulated experience in other countries of Latin America, particularly with respect to poverty alleviation, and economic and social rehabilitation of regions in conflict, the country programme will make intensive use of technical cooperation among developing countries (TCDC). It will also continue TCDC joint actions for which contacts have been established with Colombia, Chile and Central American countries, and pursue cooperation with new partners.

IV. RECOMMENDATION

16. The sixth country programme has been arrived at by consensus and in coordination among the Government, United Nations agencies and UNDP. It envisages the programme approach in support of the National Peace and Reconciliation Plan and the definition of other programmes in the other areas of concentration. The Administrator endorses the mutually reinforcing nature of the various country programme approaches, namely, the programme approach, national execution, as well as the NaTCAP and MDP methodologies.

17. For the above reasons, the Administrator recommends that the Governing Council approve the sixth country programme for Guatemala.